

COUNTY OF KAUAI BOARD OF REVIEW

NOTICE OF HEARING & AGENDA

Friday, January 13, 2017
1:00 p.m. or shortly thereafter
Mo'ikeha Building, Meeting Room 2A / 2B
4444 Rice Street
Lihue, Kauai, Hawaii 96766

CALL TO ORDER

APPROVAL OF MINUTES

- a. Open Session Minutes of December 9, 2016
- b. Executive Session Minutes of December 9, 2016

ESTABLISH FORMAT FOR HEARING OF APPEALS

- a. Reprints from the County of Kaua'i's webpage *on Understanding your Real Property Taxes* and Information for Taxpayers concerning *Property Assessments Appeals to the Board of Review*
- b. Orientation from the County Attorney on the duties and responsibilities of quasi-judicial boards and the format for presentation of appeals
- c. Overview of assessment policies and update from the Real Property Tax Manager on changes to the laws.

APPEALS SCHEDULED - see attached listing(s)

ANNOUNCEMENTS

Next Meeting: Friday, February 3, 2017 – 1:00 p.m.

ADJOURNMENT

Cc: Mark Bradbury, Deputy County Attorney

EXECUTIVE SESSION

Pursuant to Hawai'i Revised Statutes §92-7(a), the Board may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held pursuant to H.R.S. §92-4 and shall be limited to those items described in H.R.S. §92-5(a).

PUBLIC COMMENTS and TESTIMONY

Persons wishing to offer comments are encouraged to submit written testimony at least 24-hours prior to the meeting indicating:

1. Your name and if applicable, your position/title and organization you are representing;
2. The agenda item that you are providing comments on; and
3. Whether you will be testifying in person or submitting written comments only.
4. If you are unable to submit your testimony at least 24 hours prior to the meeting, please provide **10** copies of your written testimony at the meeting clearly indicating the name of the testifier; and

While every effort will be made to copy, organize and collate all testimony received, materials received on the day of the meeting or improperly identified may be distributed to the members after the meeting is concluded.

The length of time allocated to persons wishing to present verbal testimony may be limited at the discretion of the chairperson or presiding member.

Send written testimony to:

Board of Review

Office of Boards and Commissions

4444 Rice Street, Suite 150

Līhu'e, HI 96766

Phone: (808) 241-4917

Fax: (808) 241-5127

If you need an alternate format or auxiliary aid to participate, please contact the Office of Boards & Commissions at 241-4917 at least five (5) working days prior to the meeting.

COUNTY OF KAUAI BOARD OF REVIEW

SCHEDULE OF HEARING FOR: Friday, January 13, 2017

APPEAL
CASE#

APPRAISER

APPELLANT/REPRESENTATIVE

TAX MAP KEY

1:00 P.M.

STIPULATION

1. <u>15-0000011</u>	<u>S.Roche</u>	<u>Walter McBryde Trust</u>	<u>2-3-005-024-0000</u>
2. <u>16-0000008</u>	<u>S.Roche</u>	<u>Walter McBryde Trust</u>	<u>2-3-005-024-0000</u>

DRAFT To Be Approved

COUNTY OF KAUAI
Minutes of Meeting
OPEN SESSION

Board/Committee:		BOARD OF REVIEW		Meeting Date	December 9, 2016
Location	Mo'ikeha Building, Meeting Room 2 A/B			Start of Meeting: 1:00 p.m.	End of Meeting: 1:32 p.m.
Present	Chair Jose Diogo, Vice-Chair Dorothy Bekeart. Members: Julie Caspillo, and Russell Kyono Also: Deputy County Attorney Mark Bradbury; Boards & Commissions Staff: Support Clerks Barbara Davis and Darcie Agaran; Administrator Jay Furfaro; Deputy Director of Finance Sally Motta; COK Appraiser: Damien Ventura				
Excused	Member Donald Kolenda				
Absent					
SUBJECT	DISCUSSION			ACTION	
Call To Order				Chair Diogo called the meeting to order at 1:00 p.m. with 4 members present which constitutes a quorum.	
Approval of Minutes	a. <u>Open Session Minutes of November 4, 2016</u>			<i>Ms. Bekeart moved to approve the minutes as circulated. Ms. Caspillo seconded the motion. Motion carried 4:0</i>	
Appeals	1. <u>16-0001739 D.Ventura Dale Rosenfeld Trust</u> Ms. Dale Rosenfeld was present and provided oral testimony to the Board. Damien Ventura was present on behalf of the County and provided his report to the Board. Ms. Bekeart recused herself on this appeal. The Board reviewed the testimony presented in Executive Session.			4-4-014-016-0000	
	2. <u>16-0000015 S.Roche Larry/Joan Gehrke Trust</u>			<u>5-3-003-043-0000</u>	
Annual Report	<i>Chair Diogo granted the appellant's request for a deferral and set the appeal date as February 3, 2017.</i> <u>Discussion of Board of Review Annual Report to the Mayor for 2016</u> Chair Diogo noted that Ms. Bekeart had provided two suggestions for the report and asked if anyone had further ideas.				

SUBJECT	DISCUSSION	ACTION
	<p>Ms. Caspillo suggested that it appeared one of the tax appeal forms said “owner and spouse” rather than “co-owner” and we need to be sure all forms say co-owner and not spouse. Also, the deadline on one of the appeal forms says 30 days, it was in very small print and needs to be in bolder print. Ms. Bekeart thought that might have been an amended notice of assessment where they have 30 days to appeal it.</p> <p>Chair Diogo said maybe they should look at the font used and put deadlines in bold rather than small print at the bottom. Chair Diogo asked if Ms. Caspillo was suggesting the deadlines be in bold so they stand out more to which she replied yes. Ms. Bekeart suggested it might be P38 which is the amended notice of assessment to which Ms. Caspillo agreed; you are drawn to the “This Is Not A Bill” statement.</p> <p>Ms. Bekeart also wanted to commend the department for their efforts to resolve appeals and come to agreement with the appellant without coming to the Board because it results in an educated taxpayer for one thing. It results in the department having a better understanding of the property so there is less likelihood of appeals in the future. It results in a greater understanding on both sides and an educated property owner not to mention an over-worked Board.</p> <p>Mr. Kyono agreed throughout the years he has seen more and more stipulations than before. Chair Diogo agreed and added one of the things that came to him is if the appellant is at 15% difference or within that threshold where they can file an appeal would it be more efficient for the County to just stipulate in situations like that. Ms. Bekeart did not think it was a good thing to stipulate when you don’t think there is a reason to stipulate – that delivers a wrong message to the taxpayers. If they review it and feel the value is correct and within the guidelines of the law then they should stand by their value.</p> <p>Ms. Bekeart recalled one issue where somebody in Collections gave bad advice on an area they were not familiar with. Ms. Caspillo said there definitely should be a policy how people in Collections and the people in the front are supposed to respond. Ms. Bekeart added that they only respond on their area of expertise recalling in that case the person said they filed a home exemption but there was no record; it had not gotten entered properly and they didn’t keep their copy which was their fault. Chair Diogo recapped saying the County employee in the tax department should guide the public based only on what they are qualified to guide the public on, and to refer them to other personnel as appropriate.</p> <p>Mr. Kyono said on the long term affordable rental exemption, the County needs to let the public know way in advance what the</p>	

SUBJECT	DISCUSSION	ACTION
	<p>affordable rates are because they have been coming out real late with that amount. That causes a lot of homeowners not to apply and get disqualified. They need to be consistent in when they notify the public. Chair Diogo recapped that rates should be disclosed within a reasonable time and consistently.</p> <p>Chair Diogo said a lot of the public seems to not be aware that they have to prove the County wrong. The County is prima facie correct or accurate on the value and a lot of them come here thinking we can work outside of what we are required.....Ms. Bekeart said they think we will bend the rules. Chair Diogo stressed the appellant has to bear the burden of proof and we need to let the public know the procedure of the meetings and what happens. Of utmost importance is being able to provide supportive information that the Board can review to be able to see that the appellant is proving the County incorrect. Ms. Bekeart asked if the Chair was suggesting a brochure to which Chair Diogo said a brochure would be perfect – with deadlines, with reasonably sized fonts because a lot of the public is basically wasting their time and money when they show up and they have no evidence - in addition to wasting the County's time. Ms. Caspillo said perhaps they could come up with a list of suggestions of things the appellant can bring to present to the Board such as a comparison of properties, a recent appraisal, or sales that have occurred. Ms. Bekeart said we could even offer to assist the department in putting together such a brochure since we may have a little different perspective on it than they do. It was noted that it would be nice to know what the department already has brochure wise but BOR's would be geared towards after they have filed an appeal and what the hearing will be like, this is what will be expected of you at the hearing and it could be incorporated into the original brochure. Chair Diogo clarified they need to point out the County is prima facie correct and you bear the burden of proving them wrong.</p> <p>Mr. Kyono said throughout the years he has seen people miss deadlines and we can't do anything. Cases come in that are hardships with elderly people and asked Mr. Furfaro if there was anything that could be done from the Council side to allow the Board to override something. Mr. Furfaro said that would take an agenda item and a discussion to see what they could override as far as rules and that is very dicey. Ms. Bekeart did not see how there could be a body that decides just on the basis of who has..... Ms. Bekeart said that is in line with her second suggestion of having this complex system to expect the property owners to understand what is expected of them – it is just too much and changing all the time. Mr. Furfaro said it is hard to put a standard together of something that is tangible based on compassion for a situation.</p> <p>Members agreed the system has improved a lot and Real Property Assessment has worked very hard. Ms. Bekeart said they need to have a commendation section and let them know that is appreciated.</p>	
Election	<u>Election of Chair and Vice Chair for 2017</u>	<i>Mr. Kyono nominated Ms. Dorothy Bekeart as</i>

SUBJECT	DISCUSSION	ACTION
		Chair. Ms. Caspillo seconded the motion. Motion carried 4:0 Ms. Bekeart nominated Ms. Julie Caspillo as Vice Chair. Mr. Kyono seconded the motion. Motion carried 4:0
Announcements	Next Meeting: Friday, January 13, 2017 – 1:00 p.m. Ms. Davis said that would most likely just be an operational meeting to lay out how the Board wants to run the meetings for 2017 in addition to the stipulation for the McBryde appeals.	
Executive Session		Ms. Caspillo moved to go into Executive Session at 1:29 p.m. Mr. Kyono seconded the motion. Motion carried 4:0
Return to Open Session	Ratify Board of Review actions taken in Executive Session for <u>appeals shown on the attached listing and make those decisions public</u>	The meeting resumed in Open Session at 1:31 p.m. Ms. Bekeart moved to ratify the Board's actions taken in Executive Session. Mr. Kyono seconded the motion. Motion carried 4:0
Appeals	1. 16-0001739 D. Ventura Dale Rosenfeld Trust Ms. Caspillo moved to accept the County's assessment with the loss of the Homestead Use Tax Classification and amend it to Commercialized Home Use for 2016. Mr. Kyono seconded the motion. Motion carried 3:0 (Ms. Bekeart was recused)	4-4-014-016-0000
Adjournment		Ms. Bekeart moved to adjourn the meeting at 1:32 p.m. Mr. Kyono seconded the motion. Motion carried 4:0

Submitted by: _____

Barbara Davis, Staff Support Clerk

Reviewed and Approved by: _____

Jose Diogo, Chair

() Approved as circulated. () Approved with amendments. See minutes of _____ meeting.

APPEAL PROCESS

Should you want to appeal, you will find the process is quite simple and requires no legal counsel. Appeals are heard by a five-member Board of Review composed of property owners like you. The taxpayer is asked to state their case and then the appraiser explains how the assessment was determined. **There is a 25.00 fee to appeal for qualified owner occupants and \$75.00 for all other property owners.**

Property owners may also appeal directly to the Tax Appeal Court, which could require legal assistance if you choose not to follow the small claims procedure or file your appeal with the Board of Review. An appraiser will be happy to explain the appeal process and your rights under the law. You must serve the Real Property Assessor with a Tax Court Appeal filing or be disqualified.

Many property owners regretfully do not question their assessment until they receive their tax bill. The first half of the year's bill is mailed on July 20 and payment is due on August 20. The second half is mailed the following January 20 and payment is due on February 20. **You should remember that tax assessment appeals can only be made between December 1st and December 31st prior to the mailing of your tax bill.** There is no avenue for appeal after you have received your bill.

CALCULATION OF TAXES

The formula for real property tax is:

$(\text{Assessed Value} - \text{Exemptions}) \times \text{Tax Rate} = \text{Taxes}$. After the assessment of the property has been made, and any exemptions subtracted from the assessed value, the remaining value is known as the net taxable value. This is the starting point for the calculation of taxes.

As part of the budget-making process every year, the County Council sets the tax rates. The tax rates are set separately for each class of property.

The improved property classes are: Residential, Commercialized Home Use, Vacation Rental, Commercial, Industrial, Agriculture, Conservation, Hotel/Resort, Residential Investor and Homestead. The tax classes are based on the property's actual use, which may or may not be the same as the zoning. **Rates based on zoning will still apply on vacant or partially improved properties.**

The Homestead class is comprised of properties used **exclusively** as the owner's principal residence. Owner-occupied farms are also included in the Homestead class.

The tax rate is the amount of taxes on the property for each \$1,000 of net taxable value. For example, if the tax rate is \$8.00 and the net taxable value is \$100,000, the taxes would be \$800.00.

IMPORTANT DATES

The tax year begins on July 1 and extends until the following June 30. These are the important dates to remember:

- Sept 30** Deadline for filing exemption claims and recordation of ownership documents
Deadline for applying for additional home exemptions based on income
- Oct 1** Date of Assessment for upcoming tax year
- Dec 1** Assessment notices mailed
- Dec 31** Deadline for assessment appeals
- Jan 20** Second half year tax bills mailed
- Feb 20** Second half tax year payments due
- Mar 31** Certified assessment roll to County Council
- June 20** Tax Rate set by County Council
- July 1** Tax year commences
Deadline for filing dedication petitions
- July 20** First half year tax bills mailed
- Aug 20** First half tax payments due



UNDERSTANDING YOUR REAL PROPERTY TAXES

BERNARD P. CARVALHO, JR.
Mayor
County of Kaua'i



Department of Finance
REAL PROPERTY ASSESSMENT DIVISION
4444 Rice Street, Suite A-454
Lihue, HI 96766
PHONE NO. (808) 241-4224
FAX NO. (808) 241-6252
Email: rpassessment@kauai.gov
WEBSITE: www.kauaipropertytax.com

a.

Each year Kaua'i residents make an investment in their County when they pay their real property taxes. Every dollar is returned in the form of vital services we often take for granted; services such as fire and police protection, street maintenance and lighting, water, sewer and refuse collection, and recreational facilities and activities.

These services are financed through a variety of revenue sources including federal and state grants, water and sewer fees, fuel tax, motor vehicle weight tax and, most importantly the real property tax. The County of Kaua'i could not operate without the real property tax as approximately 78% of every revenue dollar collected comes from this source.

REAL PROPERTY TAX POWERS

Hawaii's four counties now have full control over their real property tax system after voters approved a constitutional amendment transferring the responsibility for property valuation, exemptions, and tax collection from the State to the counties.

ASSESSMENTS AT FULL VALUE

The need to insure "truth in taxation" has brought about a major change in the way property has been assessed beginning in 1983. Property is now being assessed at 100% of fee simple market value, making it easier for homeowners to see what their property is actually worth. Assessing at full market value eliminates the mathematical calculations and guesswork of the past.

FAIR MARKET VALUE

Locating, identifying, classifying and appraising your property at fair market value and approval of exemptions are the responsibility of the Real Property Assessment Division of the Department of Finance. Market value, or the price most people will pay for your property, is the standard used to measure equity in assessments.

Over the years great strides have been made to improve the methods used to assess property in a uniform and fair manner. Property owners are encouraged to visit the Real Property Assessment Division located at 4444 Rice Street, Lihue, HI. You can inspect your records at the front counter or ask to speak to an appraiser regarding your assessment.

APPRAISING YOUR PROPERTY

Because our County has only a few appraisers for approximately 35,000 taxable parcels, a personal inspection of your property is normally undertaken only at the time of construction or remodeling and then every 3-5 years, according to the International Association of Assessing Officers Standards of Conduct. "Mass Methodology" and "Market Modeling" are used to annually update your property value.

The appraisal process continues throughout the year, but the values established by the Real

Property Assessment Division as of **October 1** constitute the values which will be used during the following tax year, which begins July 1.

HOMEOWNERS EXEMPTIONS

As a property owner you should be aware that there are homeowners exemptions which can reduce your net taxable value providing you occupy the property as your principal residence on **September 30** preceding the tax year. These home exemptions are:

*BASIC HOME EXEMPTION

Homeowners or lessees, defined as Homeowners under Chapter 5.A-11.4 (a) and (3)(b) up until 60 years of age will be eligible for a single home exemption of **\$160,000**.

*ADDITIONAL AGE EXEMPTION

This exemption was established to help senior citizens living on fixed retirement incomes. Homeowners between the ages of 60 and 70 years of age are eligible for an additional exemption amount, increasing the Basic to **\$180,000** and increasing the Basic to **\$200,000** for age over 70. **NOTE:** You are required to contact the Real Property Assessment office should you change your status, such as moving, renting and/or using any portion of your residence as a business within 30 days.

ADDITIONAL HOME EXEMPTION BASED ON INCOME

Real property that benefits from a Basic Home Exemption and/or Additional Age Exemption may also be eligible for an additional \$120,000 Income Exemption based upon an annual gross income, not to exceed the qualified gross income ceiling for that year. **YOU MUST APPLY ANNUALLY FOR THIS ADDITIONAL EXEMPTION.** If the total amount of exemption meets or exceeds the net taxable assessment for qualified year, then the minimum tax assessed shall be \$75.00 in those subsequent qualified years.

VERY LOW INCOME TAX CREDIT

A homeowner whose household income does not exceed 50% of the Kaua'i median household income as set forth in the Kaua'i County Housing Agency Affordable Rental Housing Guideline for the calendar year preceding the year in which the application is filed, shall be entitled to a credit in the amount of 3% of the household gross income from all persons appearing on title. Owner must have Home Exemption and taxes must be current.

HOME PRESERVATION LIMIT

A homeowner who meets the criteria in Subsection 5A-11A.2 (c) shall pay real property taxes at the **higher** of an amount equal to three percent (3%) of all the owners' income(s) or the amount of five hundred dollars (\$500.00). **The Home Preservation Limit Application annual deadline will be September 30 of any year.**

DISABILITY EXEMPTION

Special exemptions of up to \$50,000 are also available for property owners who are totally disabled, blind, deaf, or who are Hansen's disease sufferers. This special exemption is in addition to the basic and multiple home exemptions.

TOTALLY DISABLED VETERAN EXEMPTION

If you are a totally disabled veteran due to injuries received while on active duty with the U.S. Armed Forces, your home is exempted from all real property taxes, except the minimum tax of \$150 for 2015. Qualified Additional Income Exemptions filings are eligible for the discounted minimum tax of \$75 for 2015. Veterans must file a claim on Form P-6 on or before **September 30**.

The home exemption will be valid as long as the veteran claiming the exemption remains totally disabled or the widow or widower of the totally disabled veteran remains unmarried and resides on the subject property as their principal residence.

*PLEASE NOTE:

The staff of the Real Property Assessment Division **will not automatically grant homeowner exemptions.** You must file a claim on or before **September 30** for the next tax year but, once filed **except for the additional exemptions based on income**, no additional action is required until your status changes. In addition to exemptions cited, there may be other types of exemptions which the Council may approve from time to time. Please check with the assessor's office for more information.

TAX MAP KEY IS IMPORTANT

Home owners should know their tax map key number also referred to as parcel id. Real property is mapped and indexed numerically according to a tax map key system which identifies your property. All matters concerning your property should be made in reference to the tax map key.

ASSESSMENT NOTICES

Another important time frame is the period when assessment notices are mailed to property owners. **These notices are mailed each year by December 1. You have until December 31 to appeal your assessment.**

When you receive your notice, study it carefully. It lists your tax classification, property value, exemptions and net taxable value. If you find an error or have questions on your assessment, contact the Real Property Assessment Division.



TAXPAYER INFORMATION

 [Government / Departments & Agencies / Finance / Real Property / Taxpayer Information](#)[Finance](#)[Accounting](#)[Division of Purchasing / Budget](#)[Information Technology](#)[Real Property](#)[Collections](#)[Exemption Information](#)[Forms & Handouts](#)[General Info & FAQ](#)[Maps](#)[Pay Property Taxes Online](#)[RPA Appeals](#)[Tax Appeal Court](#)[Tax Rates](#)[Taxpayer Information](#)[Understanding Real Property Taxes](#)[Treasury Division](#)[Reports](#)[Transparency - OpenGov Portal](#)

Taxpayer Information

Board of Review Appeals

INFORMATION FOR TAXPAYERS CONCERNING
PROPERTY ASSESSMENTS APPEALS TO THE BOARD OF REVIEW

Appeals from real property assessments made by the Real Property Assessment Division are provided for in Chapter 5A of the Kauai County Code. However, taxpayers are not generally aware of the responsibilities placed on them when they do file an appeal to the Board of Review.

The Board of Review believes it would be helpful to taxpayers if they were better able to understand their obligations in this regard. Considerable time of taxpayers and board members could be saved if taxpayers were aware of the requirements which must be met in presenting their "case" at appeal hearings.

The county of Kauai is required by Chapter 5A of the Kauai County Code, to assess all real property in its entirety.

A taxpayer who files an appeal is obliged to present "proper evidence" to the Board of Review in support of the appeal at the scheduled hearing. The law clearly provides that the assessment made by the Director of Budget and Fiscal Services is presumed to be correct. This means that every person who appeals must show by "proper evidence" that the assessed value made by the director is incorrect. One way of doing this is for the taxpayer to prove that the property value stated in the appeal is correct. Unless "proper evidence" is presented, the board must decide in favor of the Director's assessment.

Some examples of "proper evidence" are: sales of similar properties or construction cost estimated of the replacement cost of the improvements by an experienced licensed contractor or cost estimator if improvement valuations are appealed. While sales of similar properties are "proper evidence", sales transactions between relatives, close friends, and persons with close business relationships are usually not considered as friends, and persons with close business relationships are usually not considered as "proper evidence." The fact that a nearby property is assessed lower than that of the property under appeals not sufficient evidence of itself for the Board to lower an assessment. The Real Property Assessment Division uses comparable sales up to one year preceding the assessment date of October 1, to set the assessments. Comparable sales of properties should come from that period of time.

The personnel of the Real Property Assessment Division are always willing to answer questions and review assessment problems with property taxpayers. In most instances, these discussions result in a clearer understanding of standards and practices utilized by the Division in providing a relatively high degree of fairness in Hawaii's property assessments.

[Tax Appeal Court](#)[Tax Rates](#)

Real Property Tax Updates

Title	Modified Date	Size	Description

Aloha All,

The 2017 appeal form was revised after discussions with the Deputy County Attorney and the Director of Finance. The language is less than perfectly clear, but it is the position of the Administration that the taxpayer's should be appealing the "market value" not the "assessed value". What prompted the discussion was what does RPA do when the assessment cap floor is reached but the County's opinion of market value is lower than the assessed value when it is capped? The answer, is that the validity of whether an appellant is aggrieved (15% or more) is to be based on a "market" to "market" comparison. For example:

In the scenario (below) where the 2016 assessed value was \$500,000 and the maximum increase or decrease was limited to \$15,000 (3%+/-), the 2017 assessment notice will show the following:

<u>Market Value</u>	<u>Assessed Value</u>	<u>Exemptions</u>	<u>Net Taxable</u>	<u>Tax Classification</u>
\$450,000	\$485,000	\$180,000	\$305,000	Homestead

Ceiling is \$515,000

Floor is \$485,000

If the taxpayer believes their market value to be \$375,000 and we have a market value of \$450,000; then the 15% threshold has been achieved ($\$375,000 \times 1.15 = \$431,250$). If, however, the taxpayer states a market value of \$410,000; then the 15% threshold was not achieved ($\$410,000 \times 1.15 = \$471,500$) even though the assessed value of \$485,000 exceeds 15% threshold amount of \$471,500.

To make matters even more confusing, the "valuation in dispute" on the appeal form must be calculated as the difference between "assessed value" and the taxpayer's opinion of market value as that's the amount by which actual taxes will be calculated. There is also the possibility that the Board of Review does not adhere to Ord. 997 and awards an incorrect reduction below the 3%, so we must have adequate funds withheld in the appeals trust account.

Be prepared for some unhappy property owners when they hear that even if we agree with their lower market value (or the Board of Review rules in their favor), the assessed amount cannot fall below the 3% capped assessment level. In fact, the maximum reduction that could be achieved is 6%. In that scenario, we would be going from the 3% ceiling to the 3% floor in the allowable assessment. There are some exceptions on the ceiling and floor, such as new construction, omitted structures, gain or loss of Ag dedication, permitted renovations, or demolition of a portion of the improvements. But, by and large, the 3% ceiling and floor will cap year-over-year assessments for properties that were classified as either Homestead or Commercialized Home Use for 2016 and 2017. (Note: properties that are in Homestead or Commercialized Home Use for 2017 but weren't in 2016 or have a reason in ORD 997 flag on the Asmt tab are reset to the uncapped market value.)

I realize this is all a bit new, so please don't hesitate to ask me questions if you are unsure how to receive or process appeals this year.

Respectfully,
Steven A. Hunt
Real Property Tax Manager
County of Kaua'i

C.

PRINT**RESET****FILING INSTRUCTIONS**

- To complete this Appeal form, owner is required to submit:
 - What you believe the total property market value should be.
 - Your grounds for objecting to the assessment.
 - Tax year that is being appealed.
- Owner must appeal total property value. If property has multiple Tax Classes, separate appeals must be filed for each Tax Class.
- Owner (or duly assigned agent) must sign and date the Appeal.
- Owner must remit a cost deposit of **\$25 for each owner-occupied** property appealed; **or \$75.00 for each appeal if non-owner-occupied.** Make check(s) payable to: **DIRECTOR OF FINANCE**
- The Appeal must be received on or before **December 31st**:
 - By 4:30 PM at the Real Property Assessment Division, (if hand delivered)
 - Postmarked by **December 31st** if by mail.
- Please mail or hand deliver your Notice of Appeal to:
Real Property Assessment Division
4444 Rice St., Suite 454
Lihu'e, HI 96766

 Phone Number: **(808) 241-4224**
NOTICE

An automatic second appeal on next year's assessment of your property will be granted:

- If this appeal is not settled by **December 31st** of next year;
and,
- If next year's assessed value of your property is the same as this year's.

If both conditions, one (1) and two (2), are not met and if you continue to disagree with the assessed value of your property on next year's assessment, you must file another appeal.

For Official Use Only

DEPOSIT NO: _____

Year _____ APPEAL NO: _____

Received: ____/____/____ by: _____

Entered: ____/____/____ by: _____

BOARD OF REVIEW - COUNTY OF KAUAI**TAXPAYER'S NOTICE OF REAL PROPERTY TAX APPEAL**

NOTICE is hereby given that _____
 (Name of owner) (Print or type)

whose mailing address is: _____

hereby appeals the assessment made for the purpose of real property taxation for the year _____, upon real property identified on the maps and records by the above tax key.

I believe my market value should be:

Property \$ _____
 Exemption \$ _____
 Total Assessment \$ **0.00**

My grounds of objection to the assessment per Section 5A-12.3 are as follows:

- ☐ The assessed value of the property exceeds by more than fifteen percent (15%) of the assessment to market value.
- ☐ There is a lack of uniformity or inequality resulting from the use of illegal assessment methods or an error in the application of the methods.
- ☐ Denial of an exemption to which you are entitled for which **all requirements** are met.
- ☐ Illegal or unconstitutional methods used to arrive at the assessment.

Use Tax Classification: Owner believes the property should be classified as: _____

Remarks: _____

(If a representative signs the Appeal, his address should be shown below his signature. At the hearing, the representative shall submit a letter of authorization signed by the appellant.)

Signed: _____

Dated: _____

Signed: _____

Dated: _____

Home Phone _____ Bus/Cell _____ Email address _____

We/I am the: ☐ Owner ☐ Contractual Taxpayer (lessee or tenant) ☐ Representative (property manager, agent and attorney)

ZONE	SEC	PLAT	PAR	CPR/HPR
Tax Class:			Land Area:	

(FOR OFFICE USE ONLY)**Assessment Value**

	Market Value	Assessed Value	Exemptions	Valuation in Dispute	Boards' Value
Prop.	_____	_____	_____	_____	_____

Appraiser initials: _____ Signed: _____
 Chairman, Board of Review

**INSTRUCTIONS FOR FILING NOTICE OF REAL PROPERTY ASSESSMENT APPEAL
BOARD OF REVIEW ONLY**

1. Enter the name of the Owner or Taxpayer for the property.
2. Enter the Owner's or Taxpayer's opinion of the **fee simple total market value of the property**, before deductions for any exemptions. A specific value must be stated, otherwise the appeal is subject to dismissal.

3. For the grounds of objection, check (✓) the appropriate box or boxes, otherwise the appeal is subject to dismissal.
If you are appealing the use tax classification, check (✓) the unnumbered box (below box 4) and enter in the blank space the tax classification that is being claimed.

If you are appealing the denial of an exemption, either in whole or in part, check (✓) box (3) and enter the type of exemption (e.g., home, charitable) and the exemption amount that is being claimed. Appeals for the denial of a dedication (agriculture, historic, etc...) may also be lodged by putting a check (✓) in box (3).

Per Ordinance 997, properties which are subject to assessment caps are limited to both assessment increases and decreases of not more than 3% from the prior year's assessment. As such, appeal decisions favoring the appellant's opinion of market value would still be subject to the capped assessment floor.

4. If you are the Owner of the property and filing the appeal, sign the appeal form, print your name, and check (✓) the box **Owner**.

If you are under contractual obligation to pay the real property tax and filing the appeal, sign the appeal form, print your name, and check (✓) the box **Contractual Taxpayer**. You must also submit proof of such obligation with this appeal (e.g., lease or rental agreement).

If you are representing the owner or taxpayer (e.g., property manager, agent, attorney), sign the appeal form, print your name, and check (✓) the box **Representative**. You must also submit written authorization from the owner or taxpayer or other documentation with this appeal.

If you are an employee, officer, or representative of the taxpayer, enter your title.

Under Hawaii law (Hawaii Revised Statute 466K), all real estate appraisals are required to be performed by licensed or certified appraisers. If you provide a written or oral opinion as to the market value of property as of a specific date, supported by the presentation and analysis of relevant market data, you are performing an appraisal for which you must be licensed in the State of Hawaii. Related links:

Hawaii Revised Statute 466K (unofficial): http://hawaii.gov/dcca/pvl/pvl/hrs/hrs_pvl_466k.pdf

Hawaii Administrative Rules 114 (unofficial): http://hawaii.gov/dcca/pvl/har/har_114-c.pdf/view

5. Enter the mailing address for this appeal. All communications regarding this appeal, such as notification of the hearing and the Board decision, will be sent to this address. If the mailing address changes prior to the hearing, please notify the Real Property Assessment Division in writing at one of the addresses listed below.
6. Enter daytime telephone number and e-mail address.
7. A deposit of **\$25.00** must be included with each appeal by an **owner-occupant**. Appeals for all other properties require a deposit of **\$75.00** for each appeal. Please make check payable to: **Director of Finance**.
8. An appeal cannot be lodged by facsimile transmission or via email. If a receipt of the appeal is requested, enclose a self-addressed, stamped envelope and mail the request to:

**Real Property Assessment Division
4444 Rice Street, Suite A-454
Līhu'e, Hawaii 96766
Telephone: (808) 241-4224**

9. **Do not use this form to file an appeal to the Tax Appeal Court.** Instead, you must contact the Tax Appeal Court at: Tax Appeal Court, 777 Punchbowl Street, Honolulu, Hawaii, 96813-5093. Telephone: (808) 539-4777
10. Additional real property assessment information and forms can be found at www.kauaipropertytax.com.

STIPULATION

**COUNTY OF KAUAI
BOARD OF REVIEW**

In the matter of the Tax Appeal of
Walter McBryde Trust
Appellant's Name

Tax Key:

ZONE	SEC.	PLAT.	PAR.	HPR
2	3	5	24	

Case No.: 15-011

STIPULATION FOR DECISION

It is hereby stipulated and agreed by and between the Directory of Finance and
Walter McBryde Trust, the appellant above-named, that for purposes of the 2015
real property tax assessment, the valuation of the subject property shall be as follows:

ASSESSMENT TOTAL	<u>\$ 4,848,600</u>
EXEMPTION	
NET TAXABLE	<u>\$ 4,848,600</u>

DATE: 11/30/2016

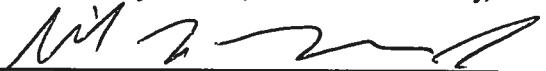
Use Tax Classification (if changed): N/A

APPROVED:

Chairman, Board of Review

Date

Bank of Hawaii, as Trustee for the
Walter McBryde Trust, and Not Individually,


Appellant: Gil Farias, Jr., Its: Vice President


for Director of Finance

FILING INSTRUCTIONS

- To complete this Appeal form, owner is required to submit:
 - What you believe the total property assessed value should be.
 - Your grounds for objecting to the assessment.
 - Tax year that is being appealed.
- Owner must appeal total property value. If property has multiple Tax Classes, separate appeals must be filed for each Tax Class.
- Owner (or duly assigned agent) must sign and date the Appeal.
- Owner must remit a cost deposit of \$25 for each owner-occupied with exemption property appealed; or \$75.00 for each appeal if non-owner-occupied.

Make check(s) payable to: **DIRECTOR OF FINANCE**

- The Appeal must be received on or before **December 31st**:
 - By 4:30 PM at the Real Property Assessment Division, (if hand delivered)
 - Postmarked by **December 31st** if by mail.
- Please mail or hand deliver your Notice of Appeal to:

Real Property Assessment Division
4444 Rice St., Suite 454
Lihu'e, HI 96766

Phone Number: (808) 241-4224
NOTICE

An automatic second appeal on next year's assessment of your property will be granted:

- If this appeal is not settled by **December 31st** of next year; and,
- If next year's assessed value of your property is the same as this year's.

If both conditions, one (1) and two (2), are not met and if you continue to disagree with the assessed value of your property on next year's assessment, you must file another appeal.

1/29/2015EFF1/29/2015 052-00000051
TR#0039 TMK:0-2-3-005-024-0000-000
ID:EAI LOC:RPC CR# 181 W1
TR Seq 0004 11:36AM 1/29/2015
CAT:6900 AMT PD: \$75.00
Appeal Cost \$75.00
For Official Use Only CH \$300.00
CHANGE \$0.00

DEPOSIT NO: 744
Year 2015 APPEAL NO: 15-0000011

Received: 12/24/14 by: [Signature]
Entered: 12/31/14 by: [Signature]

Trust Real Estate, #722
P.O. Box 3170
Honolulu, HI 96802

BOARD OF REVIEW - COUNTY OF KAUAI

TAXPAYER'S NOTICE OF REAL PROPERTY TAX APPEAL

NOTICE is hereby given that Walter McBryde Trust
(Name of owner) (Print or type)

whose mailing address is: Bank of Hawaii
hereby appeals the assessment made for the purpose of real property taxation for the year 2015, upon real property identified on the maps and records by the above tax key.

I believe my assessed value should be:

Property \$ 4,154,600
Exemption \$
Total Assessment \$ 4,154,600 *

My grounds of objection to the assessment per Section 5A-12.3 are as follows:

- ☒ The assessed value of the property exceeds by more than fifteen percent (15%) the ratio of assessment to market value.
- ☐ There is a lack of uniformity or inequity resulting from the use of illegal assessment methods or an error in the application of the methods.
- ☐ Denial of an exemption to which you are entitled for which **all requirements** are met.
- ☐ Illegal or unconstitutional methods used to arrive at the assessment.

☐ Use Tax Classification: Owner believes the property should be classified as: * Appeal is for Residential Portion

Remarks: Bank of Hawaii is trustee

(If a representative signs the Appeal, his address should be shown below his signature. At the hearing, the representative shall submit a letter of authorization signed by the appellant.)

Signed: [Signature]
Gil J. Farias, Jr. Manager, Trust R.E. Appraisal
Signed:

Dated: 12/22/14
Dated:

Home Phone Bus/Cell 808-694-4738 Email address gil.farias@boh.com

We/I am the: ☒ Owner ☐ Contractual Taxpayer (lessee or tenant) ☒ Representative (property manager, agent and attorney)

ZONE	SEC	PLAT	PAR	CPR/HPR
2	3	5	24	—
Tax Class: <u>1 Residential</u>			Land Area: <u>16.8 ac.</u>	

(For Official Use)			
Assessment Value			
Assessed Value	Exemptions	Valuation in Dispute	Boards Value
Prop. <u>5,674,200</u>	<u> </u>	<u><1,519,600></u>	<u> </u>
Appraiser: <u>(12)</u>	Signed: <u> </u> Chairman Board of Review		

STATUS REPORT

Maximum liability limited to
\$2,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

BANK OF HAWAII,
as Trustee under that certain trust
made by and between Walter D. McBryde
and Hawaiian Trust Company, Limited,
dated August 20, 1918,
recorded in Liber 498 at Page 488,
as amended,
with full powers to sell, mortgage,
lease or otherwise deal with the land,
as Fee Owner

This report is dated as of April 27, 2005 at 8:00 a.m.

Inquiries concerning this report
should be directed to
TRISHA CHUN.
Email tchun@tghawaii.com
Fax (808) 533-5855
Telephone (808) 533-5888.
Refer to Order No. 200522864.

**COUNTY OF KAUAI
BOARD OF REVIEW**

In the matter of the Tax Appeal of
Walter McBryde Trust
Appellant's Name

Tax Key:

ZONE	SEC.	PLAT.	PAR.	HPR
2	3	5	24	

Case No.: 16-008

STIPULATION FOR DECISION

It is hereby stipulated and agreed by and between the Directory of Finance and
Walter McBryde Trust, the appellant above-named, that for purposes of the 2016
real property tax assessment, the valuation of the subject property shall be as follows:

ASSESSMENT TOTAL	<u>\$ 4,850,100</u>
EXEMPTION	
NET TAXABLE	<u>\$ 4,850,100</u>

DATE: 11/30/2016

Use Tax Classification (if changed):


N/A

APPROVED:

Chairman, Board of Review

Date

Bank of Hawaii, as Trustee for the
Walter McBryde Trust, and Not Individually,


Appellant: Gil Farias, Jr., Its: Vice President



for Director of Finance

FILING INSTRUCTIONS

- To complete this Appeal form, owner is required to submit:
 - What you believe the total property assessed value should be.
 - Your grounds for objecting to the assessment.
 - Tax year that is being appealed.
- Owner must appeal total property value. If property has multiple Tax Classes, separate appeals must be filed for each Tax Class.
- Owner (or duly assigned agent) must sign and date the Appeal.
- Owner must remit a cost deposit of **\$25 for each owner-occupied** property appealed; or **\$75.00** for each appeal if **non-owner-occupied**. Make check(s) payable to **DIRECTOR OF FINANCE**
- The Appeal must be received on or before **December 31st**:
 - By 4:30 PM at the Real Property Assessment Division, (if hand delivered)
 - Postmarked by **December 31st** if by mail.
- Please mail or hand deliver your Notice of Appeal to:
Real Property Assessment Division
4444 Rice St., Suite 454
Lihue, HI 96766 Phone Number: **(808) 241-4224**

NOTICE

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- If this appeal is not settled by **December 31st** of next year; and,
- If next year's assessed value of your property is the same as this year's.

If both conditions, one (1) and two (2), are not met and if you continue to disagree with the assessed value of your property on next year's assessment, you must file another appeal.

1/12/2016 EFF1/12/2016 051-00000000
 TR:0006 TRK:0-2-3-005-014-0000 000
 ID:NNC LOC:RPC CR:210 11
 TR Seq 0001 10:07AM 1/12/2016
 CAT:6900 AMT PD:
 Appeal Cost CH
 CHANGE

For Official Use Only

DEPOSIT NO: 764

Year 2016 APPEAL NO: 16-0000008

Received: 12/28/15 by: ---

Entered: 1/8/16 by: ---

c/o Gil Farias, Trust Real Estate Dept. #722
 P.O. Box 3170
 Honolulu, HI 96802

BOARD OF REVIEW - COUNTY OF KAUAI

TAXPAYER'S NOTICE OF REAL PROPERTY TAX APPEAL

NOTICE is hereby given that

Walter McBryde Trust
 (Name of owner) (Print or type)

whose mailing address is: Bank of Hawaii
 hereby appeals the assessment made for the purpose of real property taxation for the year 2016, upon real property identified on the maps and records by the above tax key.

I believe my assessed value should be:

Property \$ 4,154,000
 Exemption \$ 0
 Total Assessment \$ 4,154,000

My grounds of objection to the assessment per Section 5A-12.3 are as follows:

- ☒ The assessed value of the property exceeds by more than fifteen percent (15%) the ratio of assessment to market value.
- ☐ There is a lack of uniformity or inequity resulting from the use of illegal assessment methods or an error in the application of the methods.
- ☐ Denial of an exemption to which you are entitled for which **all requirements** are met.
- ☐ Illegal or unconstitutional methods used to arrive at the assessment.

Use Tax Classification: Owner believes the property should be classified as: _____

Remarks: Bank of Hawaii is Trustee

(If a representative signs the Appeal, his address should be shown below his signature. At the hearing, the representative shall submit a letter of authorization signed by the appellant.)

Signed: [Signature] Dated: 12/21/15

Signed: See mailing address above. Gil J. Farias, Jr., Vice President Dated: _____

Home Phone _____ Bus/Cell 808 694-4738 Email address gil.farias@boh.com

We/I am the: ☐ Owner ☐ Contractual Taxpayer (lessee or tenant) ☒ Representative (property manager, agent and attorney)

See mailing address above and attached documentation of Trustee. [Signature]

ZONE	SEC	PLAT	PAR	CPR/HPR
2	3	5	24	---
Tax Class: <u>1 Residential</u>			Land Area: <u>16.8 AC.</u>	

(For Official Use) Assessment Value			
Assessed Value	Exemptions	Valuation in Dispute	Boards Value
Prop. <u>\$5,675,700</u>	<u>0</u>	<u>\$1,521,700</u>	---
Appraiser: <u>---</u> Signed: _____ Chairman Board of Review			

STATUS REPORT

Maximum liability limited to
\$2,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

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dated August 20, 1918,
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as amended,
with full powers to sell, mortgage,
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This report is dated as of April 27, 2005 at 8:00 a.m.

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Refer to Order No. 200522864.